

THIRTY-SECOND ANNUAL REPORT,
DECEMBER 31st, 1895.

Huron & Erie

LOAN AND SAVINGS CO'Y,

LONDON, CANADA.

Capital Subscribed, - - -	\$3,000,000.00
" Paid-up, - - -	1,400,000.00
Reserve Fund, - - -	700,000.00

Directors.

J. W. LITTLE, *President.*
PHILIP MACKENZIE, *Vice-President.*
PROF. WM. SAUNDERS, | F. E. LEONARD,
A. W. PORTE. | V. CRONYN.

Manager.

G. A. SOMERVILLE

Solicitors.

CRONYN & BETTS.

Auditors.

GEO. F. JEWELL, F.C.A. | THOS. A. BROWNE.

Bankers in Canada.

THE BANK OF MONTREAL.
THE CANADIAN BANK OF COMMERCE.
THE MOLSONS BANK.

Bankers in Great Britain.

THE BANK OF SCOTLAND.

THIRTY-SECOND ANNUAL REPORT

—OF THE—

HURON & ERIE LOAN & SAVINGS COMPANY

The Directors of the Huron and Erie Loan and Savings Company beg to submit herewith their Thirty-second Annual Report, showing the results of the business of the Company for the past year, accompanied by the balance sheet to December 31st, 1895, duly audited.

After defraying the expenses of management and all other charges, the net profits have been sufficient to pay two half-yearly dividends at the rate of nine per cent. per annum, together with the shareholders' income tax of \$2,408.64 thereon, and to add \$19,506.73 to the balance of undivided profits carried forward, which now amounts to \$35,305.38, irrespective of the Reserve Fund.

The limit of the Company's borrowing powers as fixed by Statute having been reached at the close of 1894, the total liabilities are practically the same now as at that date; and the funds of the Company have been kept fully employed throughout the year.

The lower rates of interest obtainable on choice first mortgages of freehold property have been met by a reduction in the interest allowed on Debentures and in our Savings Bank Department. Besides resulting in a saving to the Company, this has led to the conversion of a considerable amount of deposits into Canadian Debentures, a change which your Directors regard with favor. Notwithstanding the reduced rates of interest, there has been an increase in deposits and Canadian Debentures during the year amounting to \$156,282.24.

The value of the Real Estate held by the Company, other than office premises, is \$25,400. This sum includes all properties remaining unsold, which have come into possession of the Company by foreclosure, failure to obtain purchasers under power of sale, or otherwise.

It is thought desirable that the general borrowing powers and liabilities of the Company, as at present defined by numerous isolated enactments, should be made to appear in one Special Act. Application is therefore being made to the Parliament of Canada at its present session for an Act of that character. For many years it has been the practice of the Company not to lend on the security of its own stock, nor to a Director or other officer of the Company upon any security whatever, and so convinced are your Directors of the prudence of this course that they have decided to ask for a legislative withdrawal of the power to make such loans.

Your Directors desire to bear testimony to the very efficient manner in which the Manager and other officers of the Company have discharged their respective duties.

All of which is respectfully submitted.

J. W. LITTLE,
President.

LONDON, ONTARIO,
January 29th, 1896.

The Huron and Erie Loan and Savings Co.

Dr. PROFIT AND LOSS STATEMENT FOR YEAR ENDING 31st DECEMBER, 1895. Cr.

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Dr. STATEMENT OF LIABILITIES AND ASSETS AS AT 31st DECEMBER, 1895. Cr.

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G. A. SOMERVILLE, Manager.

We hereby certify that we have carefully audited the Books and Accounts of THE HURON AND ERIE LOAN AND SAVINGS COMPANY for the year ending 31st December, 1895. The Cash and Bank Accounts have been audited monthly; the postings and balances of all the Company's Ledgers examined quarterly; and we find the whole correct and in accordance with the above statements. We have also examined the Company's Securities, and find them in order.

LONDON, 29th January, 1896.

GEO. F. JEWELL, F.C.A., }
THOMAS A. BROWNE, } Auditors.

THE HURON & ERIE LOAN & SAVINGS COMPANY.

THE THIRTY-SECOND ANNUAL GENERAL MEETING of this Company was held at its office in London, Ontario, on Wednesday, 12th February, 1896.

Present: Messrs. J. W. Little, P. Mackenzie, F. E. Leonard, V. Cronyn, G. F. Jewell, T. A. Browne, G. A. Somerville, H. Cronyn, A. G. McWhinney, G. T. Brown, M. J. Kent, A. W. Porte, L. Gibson, Alf. Robinson, E. Beltz, A. M. Smart, John Bland, and others.

The President, MR. J. W. LITTLE, took the Chair, and the Manager, MR. G. A. SOMERVILLE, acted as Secretary. The minutes of the last Annual Meeting having been read and approved, the Report and Financial Statement were submitted.

In moving the adoption of the Report, the President said:—

“I have much pleasure in moving the adoption of the Report and Financial Statement just read, which I trust will be as satisfactory to the Shareholders and all others interested as it is to the Directors.

“As you are aware, the legal borrowing powers of the Company were about exhausted at the end of last year, so that we cannot show much increase in the business done; but the net profits have been well maintained.

“After paying dividends and the taxes thereon, amounting together to \$128,400, and providing for all expenses of management and anticipated as well as ascertained losses, \$19,500 have been added to the balance carried forward.

“The net losses appear in the statement as \$6,934.70; the amount actually lost is \$3,503.25 less \$805 recovered, which had been previously written off. The remainder has been applied in reduction of the value of the real estate held for sale. In addition, the sum of \$5,000 has been set aside to guard against possible loss in respect of lands already sold, on which the cash payments received are not sufficient to afford the margin required on new loans.

“The arrears of principal and interest on mortgages are lower than last year, and about 23 per cent. less than the average for the last seventeen years. In fact, with the exception of four years, they are less than at the end of any year since 1878, although within that time the volume of business has increased nearly three-fold.

“The real estate remaining unsold all fell in quite recently. It has always been the policy of the Company to sell as quickly as possible, even if a loss is made; and the land now on hand has been taken at a sufficiently low figure to insure prompt sales.

“Owing to the general decline in the rate of interest throughout the country, your Directors were obliged early in the year to reduce the interest on deposits and debentures. The result of this was that a number of depositors invested in Canadian debentures, instead of leaving their money in the Savings Bank. We also replaced \$160,000 borrowed in Great Britain, by funds received on Canadian debentures, which, notwithstanding the reduced rates, show an increase for the year of \$385,000.

“The number of mortgages held by the Company at the end of the year was 3,509, averaging \$1,683 each.

“In the Savings Bank there are 4,062 depositors, with an average of \$287.50.

“I need not say to you that the Manager and Officials of the Company have given every satisfaction in the performance of their duties; the results of the year are evidence of this fact.

“I now formally move the adoption of the Report, and shall be glad to answer any questions that may be asked regarding the business of the Company.”

The Vice-President, MR. PHILIP MACKENZIE, seconded the motion, which was carried unanimously.

The Special Act, for which application has been made to the Dominion Parliament, was read, and, on motion of MR. A. M. SMART, seconded by MR. GEO. T. BROWN, the action of the Board in applying for the same was unanimously approved.

Resolutions reappointing the Auditors and fixing their remuneration, as well as the usual votes of thanks, were unanimously adopted.

MESSRS. GEO. F. JEWELL and THOS. A. BROWNE, having been appointed Scrutineers, reported the following gentlemen elected as Directors for the ensuing year:—MESSRS. J. W. LITTLE, P. MACKENZIE, PROF. WM. SAUNDERS, A. W. PORTE, F. E. LEONARD, and V. CRONYN.

At a subsequent meeting of the Board MR. J. W. LITTLE was re-elected President, and MR. PHILIP MACKENZIE, Vice-President.